

The Livingston Group, LLC 499 S. Capitol Street, SW Suite 600 Washington, DC 20003 (202) 289-9881 www.livingstongroupdc.com

October 25, 2017

Mr. Omer Laviv Chief Executive Officer Mer Security and Communications Systems, Ltd. 5 Hatzoref Street Holon, Israel

Dear Mr. Laviv:

Pursuant to the discussions we have had to date, we are submitting for your approval terms for the renewal of the working agreement between Mer Security and Communications Systems, Ltd. ("MER") and The Livingston Group, LLC ("TLG"). The terms of the agreement are as follows:

- This agreement will extend over a five and a half month (5.5) month period beginning October 15, 2017 and terminating March 31, 2018. It may be renewed for an additional period thereafter, upon mutual agreement of both parties in advance of the termination date. This agreement, during its term, may be terminated with or without cause at any time by either party, after thirty (30) days written notice to the other party.
- TLG agrees to provide MER with government affairs representation and lobbying service before the federal government as well as any other matters mutually agreed upon, on behalf of the Government of the Democratic Republic of Congo ("DRC").
- MER agrees to pay TLG \$60,000 USD per month plus normal out of pocket expenses (e.g. couriers, deliveries, and printing over \$100 USD per month) for the contract period. Any additional large expenses (e.g. for domestic and international travel outside of Washington, DC) shall be pre-approved and billed separately. The retainer fees for the first two months in the amount of \$60,000 USD per month is required at the time of the signature of this agreement. Thereafter, TLG shall submit a monthly invoice for retainer fees and itemized expenses to you or your designated representative. Such invoices are payable within thirty (30) days. In the event this agreement is terminated prior to the end of its term, any retainer fees paid to TLG by MER that exceed the pro-rata share of fees apportioned on a daily basis, up to and including the date thirty (30) days after notice of termination has been provided as described herein, shall be refunded by TLG to MER. Balances over 60 days are subject to finance charge of 1 percent per month. MER shall make no retainer or

other payments to TLG from federally appropriated funds or other funds from restricted or prohibited sources.

- Nothing herein shall be construed as preventing TLG from complying with applicable disclosure statutes, including the Lobby Disclosure Act and the Foreign Agents Registration Act.
- TLG agrees to abide by every applicable law or regulation covering government
 contracts for lobbying during the implementation of this agreement. TLG is an
 independent contractor, and, as such, has no authority to bind MER in any manner
 whatsoever, absent the express written consent of MER. TLG shall be solely
 responsible for the acts of its employees and/or agents and shall defend and hold
 MER harmless from any claims which arise from said acts. TLG shall be responsible
 for notifying MER of any potential conflicts between its representation of MER and
 any other party.
- As is true with all government relations services, we cannot and do not guarantee
 the results of our representation. We make no express warranties concerning this
 transaction, and disclaim any implied warranties concerning it.
- MER is not authorized to bind TLG in any matter whatsoever, absent the express written consent of TLG. MER shall be solely responsible for the acts of its employees and/or agents and shall defend and hold TLG harmless from any claims which arise from said acts.
- The parties agree that this agreement shall be governed by the laws of the District of Columbia without reference to the principles of the conflicts of laws thereof. All disputes arising out of this agreement shall be subject to the exclusive jurisdiction and venue of the courts of the District of Columbia (or if there is a federal jurisdiction, the United States District Court for the District of Columbia) and the parties consent to the personal jurisdiction and exclusive jurisdiction and venue of these courts.

I trust this accurately reflects the discussion we had. If you agree, please sign below and return one original to me.

Sincerely,

Agreed to and accepted by:

Systems, Ltd.

Robert L. Livingston Founding Partner

The Livingston Group, LLC

Omer Laviv
Chief Executive Officer
Mer Security and Communications